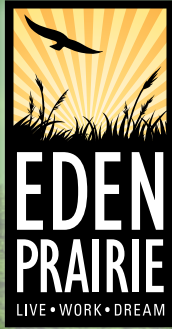


LIFE in the PRAIRIE



SUMMER 2019

Inside
2018 Annual Report





Fire Chief Scott Gerber

Honored to Serve in Eden Prairie



"I am honored to join Eden Prairie's talented team of firefighters and building inspectors. There is a strong foundation here, laid by those who came before me – I am thrilled to lead this department into the future and serve this exceptional community."


– Fire Chief Scott Gerber

When Chief **Scott Gerber** took command of the Eden Prairie Fire Department – which includes the City's Building Inspections Division – April 1, he joined a new family of firefighters, wearing a new badge and ready to serve a new community. Everything was new, but one thing was the same. He was continuing a 33-year career, doing what he loves – helping people.

Before accepting the position of fire chief and director of emergency management in Eden Prairie, Gerber led the Excelsior Fire District as chief for more than 12 years. Having previously worked for Carver County as the risk/emergency management director, and as a paramedic with Ridgeview Medical Center, Gerber also served his home community in many roles with the Chaska Fire Department for nearly 22 years.

Gerber earned a bachelor's degree in business management from Cardinal Stritch University and an Executive Fire Officer certification from the National Fire Academy.

 Follow Chief Gerber and the Eden Prairie Fire Department on Twitter @EdenPrairieFD.



Help Manage EAB

In 2017 emerald ash borer (EAB) was confirmed in Eden Prairie. As part of its multiyear EAB management plan, the City is treating or removing ash trees on public property. Removed trees are being replaced with a diverse pallet of species at one-and-a-half times the rate of removal.



The City is also promoting proper management of ash trees on private property. Discounted EAB treatment rates are available to residents through 2020.

edenprairie.org/EAB

City Seeks Resident Input

The City of Eden Prairie is collaborating with **Polco**, a civic participation platform, to gather input from residents on a variety of topics throughout the year. Participate by creating an account online or downloading the Polco app on your mobile device. You will be required to confirm you are an Eden Prairie resident.

edenprairie.org/Polco



Be the First to Know

The City of Eden Prairie aims to provide residents with up-to-date news and information about topics of interest to you, conveniently delivered to your inbox or mobile device. Subscribe today and receive email or text notifications about everything from Parks and Recreation programs and events to Eden Prairie Liquor store specials or Infrastructure Project updates.

edenprairie.org/Subscribe



Open to Business

Through the Open to Business program, small business owners and entrepreneurs receive free one-on-one technical assistance ranging from business plan development to cash flow and financing projections, connections with banks, community development lenders and other resources. Get started by scheduling your free meeting with an Open to Business representative today!

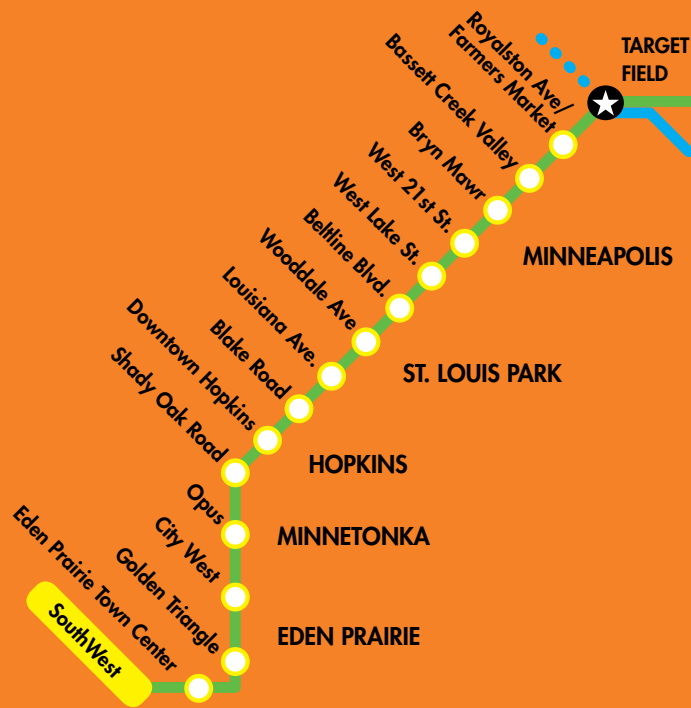
OpenToBusinessMN.org



Southwest LRT Project Begins

Re-construction work on the **Southwest LRT Green Line Extension** began in May in Eden Prairie with the installation of barricades and fencing, and tree clearing around construction sites. The majority of construction work is scheduled from 2019 through 2022, with passenger service starting in 2023. The line will include 15 new stations, including four in Eden Prairie. Stay informed about the project and sign up for weekly project updates.

SWLRT.org



Stash Your Trash

In Eden Prairie, containers for trash, recycling and yard waste which are stored outside must be located at least 20 feet from your property line and screened from the public street by a fence or evergreen-type shrub. Containers can be curbside 24 hours before and after your scheduled pickup.

edenprairie.org/CityCodeFAQ



Winning Banner Design: The Gathering Bridge at Purgatory Creek Park by David Gregoire



Winning Banner Design: Eagles Over Edén Kelley Regan



Winning Banner Design: Fall Walk by Patricia Young

The Spirit of Eden Prairie

This spring, residents of all ages submitted original artwork evoking the spirit of Eden Prairie, to participate in the City's light pole-banner design contest. From a group of eight finalists, online voters helped choose three winning designs.

Congratulations to Eden Prairie residents, **David Gregoire**, **Kelley Regan** and **Patricia Young**! Your talented works of art capture the spirit of our community, and we will enjoy seeing them displayed on light poles throughout Eden Prairie later this summer!

edenprairie.org/BannerContest



2018 Drinking Water Report

The City provides results of drinking water monitoring to advance consumer confidence and highlight the need to protect water resources. Drinking water monitoring from Jan. 1 through Dec. 31, 2018, revealed Eden Prairie drinking water met or exceeded federal standards. A complete report is available online.



edenprairie.org/DrinkingWater

Xcel Energy Time of Use Pilot

Xcel Energy is piloting a program giving customers new ways to save on electric bills. Customers in the pilot will pay less for electricity used during off-peak hours, from midnight to 6 a.m., when electricity is cheaper to produce. Xcel Energy will send information about the Time of Use pilot program to Eden Prairie residents in July.

edenprairie.org/TimeOfUse



edenprairie.org/SustainableEP



Adopt a Storm Drain

Help protect local waterways. Organize a group of family, friends or neighbors, and adopt a storm drain in your community!

First, mark your drain with a message to remind others that only rain goes in the drain – the City provides a Storm Drain Marking Kit with supplies and instructions. Then, go online to claim your adopted drain and keep it cleared of debris year-round – the City provides supplies including safety vests.

edenprairie.org/StormDrain



Mark Freiberg Kathy Nelson Ron Case Brad Aho PG Narayanan

Mayor
Ron Case
952-949-8593

Council Members

Brad Aho
952-303-6884
Mark Freiberg
612-581-7504

PG Narayanan
952-393-3100
Kathy Nelson
952-941-6613

AllCouncil@edenprairie.org

edenprairie.org



RESIDENTIAL POSTAL CUSTOMER

Mark Your Calendar

2019 Concert Series: Starring at Staring

7 p.m. Thursdays and Fridays
6 p.m. Sundays
June 27–Aug. 8
Staring Lake Amphitheatre

KidStock

10:30–11:15 a.m. Tuesdays
June 18–Aug. 13
Staring Lake Amphitheatre

4th of July Hometown Celebration

5–9 p.m. July 3
7:30 a.m.–11:30 p.m. July 4
Round Lake Park

Eden Prairie Players

**Children's Theater Workshop
Presents: Bedtime Stories**
2:30 and 7 p.m. July 26–27
2:30 p.m. July 28
Riley-Jacques Barn

Movies in the Park

9 p.m. Aug. 2
Trolls (PG)
9 p.m. Aug. 9
Black Panther (PG-13)
9 p.m. Aug. 16
Incredibles 2 (PG)
7:30 p.m. preshow entertainment
Staring Lake Amphitheatre

Night to Unite

6–9 p.m. Aug. 6

PeopleFest! Party

3–7 p.m. Aug. 11
Staring Lake Park



On the Cover:
**Eden Prairie Players
perform at Staring Lake
Amphitheatre**

edenprairie.org/Calendar



City of Eden Prairie
2018 ANNUAL REPORT

Fiscal Year Ended Dec. 31, 2018





Message from the City Manager

I am pleased to present the City of Eden Prairie **2018 Annual Report**. With this publication we aim to provide a high-level snapshot of the City's finances, made easier to understand through a combination of graphics and plain language.

Sincerely,

Rick Getschow
City Manager



About the City of Eden Prairie

Eden Prairie is home to more than 63,000 residents, 2,800 businesses, outstanding schools, and a multitude of natural and man-made amenities. With its flourishing economy, engaged community and quality of life rating consistently higher than local and national benchmarks, life is good in Eden Prairie.

City Services Provided in 2018



1,908 fire calls



52,278 police calls



6,436 building permits issued



4,908 property appraisals completed



43 parks, **134** miles of trails,
580 lane miles of City streets maintained



4,395 hydrants flushed



65 miles of sanitary sewer cleaned

CITY FINANCES

This report provides financial results for the following accounts:

General Fund — City's primary operating fund

Capital Projects Funds — Funds for acquisition or construction of major capital infrastructure

Debt Service Funds — Funds collected from taxes and other sources to pay debt

Enterprise Funds — User-fee funds collected from external customers

Taxable Market Value

The value of all residential and commercial property in Eden Prairie.



2018 Market Value: \$10.2-billion
+3.4% versus 2017

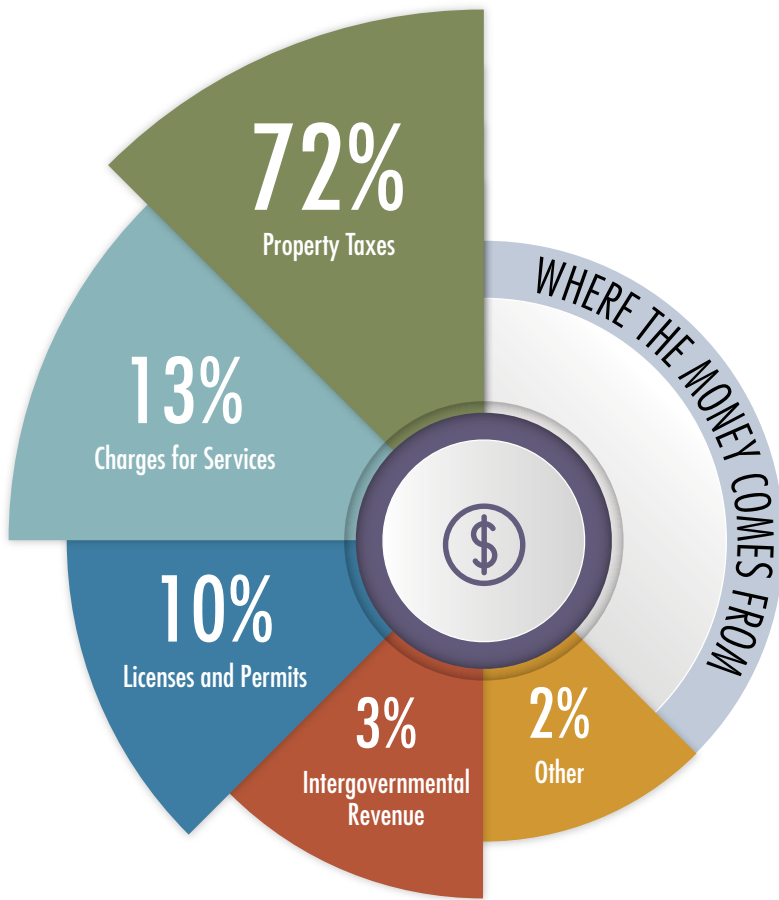


Statement of Net Position

This financial summary is a condensed view of the City's assets and liabilities for all funds as of Dec. 31, 2018. In 2018, assets exceeded liabilities by \$395-million. Of this amount, \$315-million is invested in capital assets, \$52-million is unrestricted and may be used to meet the City's ongoing obligations to residents and creditors, and \$28-million is restricted. The City is financially sound and maintained its net position for 2018.

	OTHER FUNDS		ENTERPRISE FUNDS		TOTAL	
	2018	2017	2018	2017	2018	2017
Total Assets and Deferred Outflows	\$338,304	\$337,509	\$147,484	\$149,185	\$485,788	\$486,694
Total Liabilities and Deferred Inflows	\$82,830	\$89,463	\$8,074	\$8,969	\$90,904	\$98,432
Total Net Position	\$255,474	\$248,046	\$139,410	\$140,216	\$394,884	\$388,262

GENERAL FUND REVENUE



REVENUE	2018	2017	2016
Charges for Services	\$5,976,951	\$5,784,613	\$5,325,932
Intergovernmental Revenue	1,439,023	1,504,055	1,479,880
Licenses and Permits	4,892,559	3,610,255	3,770,890
Property Taxes	34,258,721	32,386,507	31,383,273
Other	963,896	744,605	874,760
Total	\$47,531,150	\$44,030,035	\$42,834,735

Budgeted Revenue: \$45,399,429

Actual Revenue: \$47,531,150

Actual revenue was 105% of budget; property tax and licenses and permits revenue exceeded expectations.

Significant 2018 Eden Prairie Property Investments

Elevate at SouthWest Station

New mixed-use retail/residential building valued at \$40,010,000

Prairie Bluffs Senior Living

New senior campus valued at \$22,164,080

Scheels

Redeveloped mall anchor building valued at \$19,970,253

Southview of Eden Prairie

New senior apartment building valued at \$18,324,000

Single-Family Homes (49)

New construction valued at \$16,634,500

Optum

Interior finish valued at \$8,500,000

Hampton Inn

Footings and foundation for new hotel valued at \$7,473,005

Emerson

Remodel valued at \$4,836,917

SurModics

Interior finish valued at \$2,450,000

FedEX

Interior finish valued at \$1,498,000

Pizza Lucé

Interior finish valued at \$1,400,000

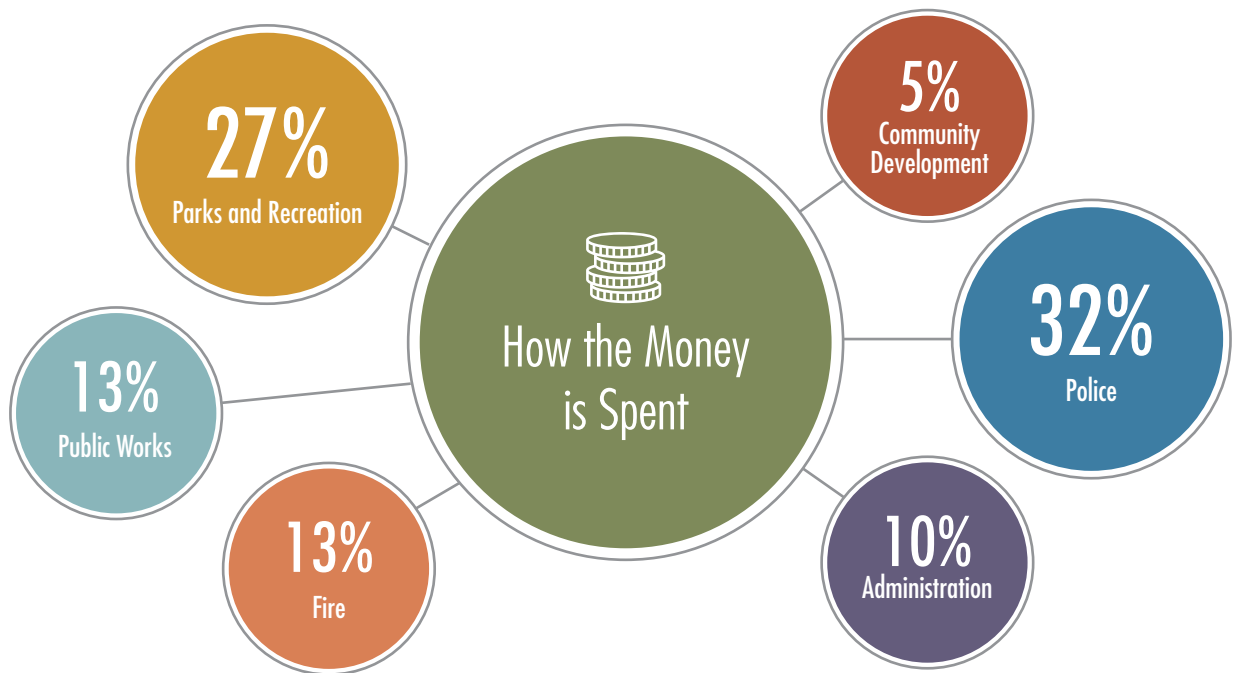
Preserve Village Mall Addition

New retail building valued at \$1,220,000

Ascentis Corporation

Remodel valued at \$1,065,165

GENERAL FUND EXPENDITURES



EXPENDITURES	2018	2017	2016
Administration	\$4,467,514	\$4,033,588	\$4,118,176
Community Development	2,320,363	2,376,934	2,180,541
Fire	6,119,385	6,220,088	5,745,852
Parks and Recreation	12,158,792	11,345,396	10,983,233
Police	14,517,004	14,069,709	13,775,455
Public Works	5,872,135	6,026,334	5,828,269
Total	\$45,455,193	\$44,072,049	\$42,631,526

Budgeted Expenditures: \$45,696,824

Actual Expenditures: \$45,455,193

Actual expenditures were 99.5% of budget; overall results were as expected.

2018 Capital Improvement Expenses: \$12,840,174

Significant Projects Over \$500K

Southwest LRT	\$2,323,476
Pavement Management	\$2,001,414
Dell Road Water Tower Recoating	\$1,412,454
Preserve Boulevard Improvements	\$608,832
Trails	\$579,614

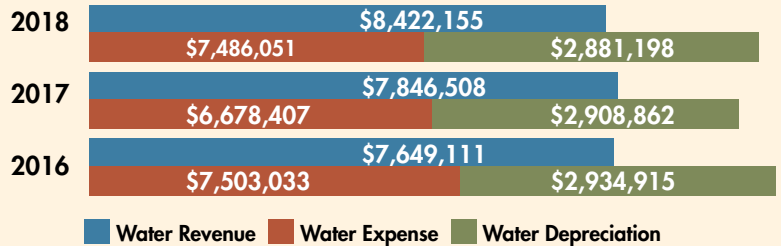
ENTERPRISE FUNDS

Utilities

Eden Prairie's water, wastewater and stormwater utilities serve approximately 20,000 residential, commercial and industrial accounts. The City's water storage facilities have a capacity of 8.5-million gallons and are supplied by a system of 15 wells that are permitted to pump 28-million gallons per day.

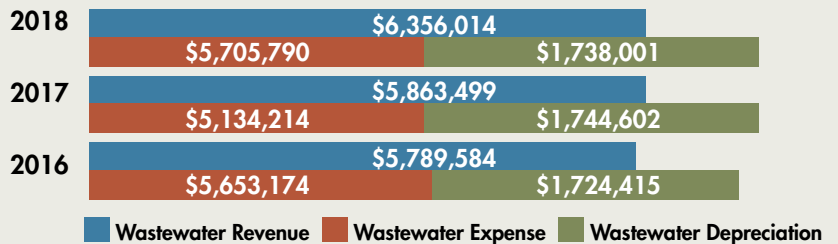
Water Utility Financial Results

Water usage remained relatively flat at 2.3-billion gallons in 2018; however, an increase in rates resulted in a water utility revenue increase of \$575,647 for the year. Total operating expenses (excluding depreciation) were \$7,486,051 in 2018, which is 112% of the \$6,663,748 budgeted and \$807,644 more than 2017. The increase was primarily a result of the Dell Road Water Tower recoating project in 2018.



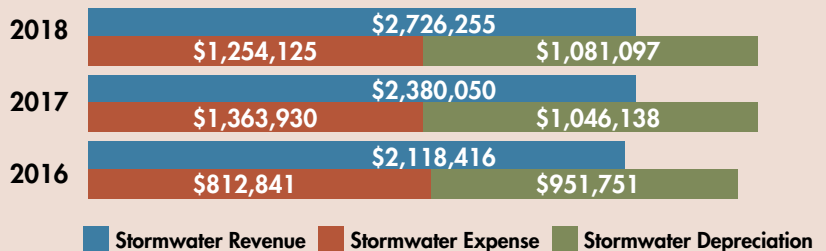
Wastewater Utility Financial Results

In 2018, wastewater revenue increased by 8.4%, a total of \$492,515. Total operating expenses (excluding depreciation) were \$5,705,790, which is 99.5% of the \$5,734,353 budgeted and \$571,576 more than 2017. Disposal charges are the largest expense, totaling \$4,186,455. Metropolitan Council Environmental Services establishes monthly disposal costs on a metro-wide basis. For 2018, the disposal fee increased 4.7%.



Stormwater Utility Financial Results

In 2018, stormwater revenue increased by 14.5%, a total of \$346,205, due to a rate change. Total operating expenses (excluding depreciation) were \$1,254,125, which is 93.4% of the \$1,342,243 budgeted and \$109,805 less than 2017.



Municipal Liquor Store Operations

The City's three municipal liquor stores constitute one of the largest municipal off-sale operations in the State of Minnesota. **Eden Prairie Liquor** profits contribute to the financial well-being of the City by funding important capital projects. City leaders believe municipal-owned liquor operations help to protect the health and safety of youth by placing emphasis on preventing sales to underage people.

Overall liquor store sales totaled \$10,559,515 in 2018, a 2.7% increase from 2017; the City transferred \$800,000 in profits to the Capital Improvement Project fund, \$100,000 more than in 2017. Over the past 10 years, more than \$9-million in liquor store profits have funded various capital projects, including Riley Lake Park renovations, trail maintenance and the new Staring Lake Park pickleball courts.



DEBT

EXPENDITURES	2018	2017	2016
General Obligation	\$9,120,000	\$10,530,000	\$11,890,000
Lease Revenue	-	-	1,145,000
Special Assessment	7,860,000	9,760,000	12,470,000
Tax Abatement	16,345,000	16,805,000	17,155,000
Revenue	2,435,000	3,045,000	3,510,000
Total	\$35,760,000	\$40,140,000	\$46,170,000

2018 Long-Term Debt Outstanding: \$35,760,000*

-10.9% versus 2017

*The City did not issue any new debt in 2018

Since 2003, **Moody's Investors Service** has assigned its highest rating, **Aaa**, to the City of Eden Prairie's bonds. In 2014, Eden Prairie secured a second **AAA** bond rating from **Standard and Poor's Financial Services**. Reasons for the consistent bond ratings include Eden Prairie's substantial and diversified tax base, strong financial operations, low debt burden, and strengths in flexibility with budget reserves, liquidity, management stability and financial policies.

AWARDS

The City received the following awards (valid for one year only) from the Government Finance Officers Association (GFOA):

- Certificate of Achievement for Excellence in Financial Reporting for the CAFR, for the year ended Dec. 31, 2017.
- Distinguished Budget Presentation award for the Two-Year Budget, for the fiscal years beginning Jan. 1, 2018, and 2019.
- Award for Outstanding Achievement in Popular Annual Financial Reporting, for the fiscal year ended Dec. 31, 2017.

ABOUT THIS REPORT

The information for this report is from the City of Eden Prairie's Comprehensive Annual Financial Report (CAFR), which was prepared in accordance with Generally Accepted Accounting Principles and applicable legal requirements for the year ended Dec. 31, 2018. This report provides information to the public about City of Eden Prairie services and the costs to provide these services. For a complete review of the City's financial position for 2018, consult the CAFR.

edenprairie.org/Budget

